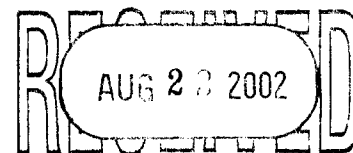


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL - MAKE CHANGES ~~AS NECESSARY~~

L

W-02211A
LOMA LINDA WATER COMPANY
P. O. BOX 967
THATCHER AZ 85552-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

8-22-02 CW

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Loma Linda Water Co., Inc.

Mailing Address P.O. Box 967

(Street)

Thatcher

(City)

AZ

(State)

85552

(Zip)

(928) 428-5420

Telephone No. (Include Area Code)

(928) 428-3358

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address bbarney@aepnet.com

Local Office Mailing Address P.O. Box 967

(Street)

Thatcher

(City)

AZ

(State)

85552

(Zip)

(928) 428-5420

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Bevan Barney President/ Gen. Manager

(Name)

(Title)

P.O. Box 967

(Street)

Thatcher

(City)

AZ

(State)

85552

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address bbarney@aepnet.com

On Site Manager: Bevan Barney

(Name)

P.O. Box 967

(Street)

Thatcher

(City)

AZ

(State)

85552

(Zip)

(928) 428-5420

Telephone No. (Include Area Code)

(928) 428-3358

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address bbarney@aepnet.com

Statutory Agent: Bevan Barney

(Name)

9750 Jackrabbit Rd.

(Street)

Safford

(City)

AZ

(State)

85546

(Zip)

(928) 428-5420

Telephone No. (Include Area Code)

(928) 429-3358

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☒ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-	-	-
302	Franchises	2,741	-	2,741
303	Land and Land Rights	455	-	455
304	Structures and Improvements	2,830	2,044	786
307	Wells and Springs	24,192	18,569	5,623
311	Pumping Equipment	13,850	13,394	456
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	15,486	11,875	3,611
331	Transmission and Distribution Mains	117,161	77,753	39,408
333	Services	15,343	15,009	334
334	Meters and Meter Installation	10,832	7,635	3,197
335	Hydrants	-	-	-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	430	303	127
341	Transportation Equipment	30,237	10,352	19,885
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	23,842	23,842	-
346	Communication Equipment	1,338	669	669
347	Miscellaneous Equipment	844	367	477
348	Other Tangible Plant	-	-	-
	TOTALS	259,581	181,812	77,769

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Accumulated Depreciation (2)	Depreciation Expense (1x2)
301	Organization	-		-
302	Franchises	2,741	0.00%	-
303	Land and Land Rights	455	0.00%	-
304	Structures and Improvements	2,830	3.33%	94
307	Wells and Springs	24,192	3.33%	806
311	Pumping Equipment	13,850	12.50%	724
320	Water Treatment Equipment	-		-
330.1	Storage Tanks	9,292	2.22%	206
330.2	Pressure Tanks	6,194	5.00%	310
331	Transmission and Distribution Mains	117,161	2.00%	2,343
333	Services	15,343	3.33%	511
334	Meters and Meter Installation	10,832	8.33%	902
335	Hydrants	-		-
336	Backflow Prevention Devices	-		-
339	Other Plant and Misc. Equipment	-		-
340	Office Furniture and Equipment	430	6.67%	29
341	Transportation Equipment	30,237	20.00%	4,971
343	Tools, Shop and Garage Equipment	-		-
344	Laboratory Equipment	-		-
345	Power Operated Equipment	23,842	5.00%	-
346	Communication Equipment	1,338	10.00%	134
347	Miscellaneous Equipment	844	10.00%	84
348	Other Tangible Plant	-		-
	TOTALS	259,581		11,115

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,916	\$ -
134	Working Funds	-	-
135	Temporary Cash Investments	9,350	9,350
141	Customer Accounts Receivable	3,895	6,169
146	Notes/Receivables from Associated Companies	-	-
151	Plant Material and Supplies	-	-
162	Prepayments	-	-
174	Miscellaneous Current and Accrued Assets	2,287	-
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 17,448	\$ 15,519
	FIXED ASSETS		
101	Utility Plant in Service	\$ 229,804	\$ 259,581
103	Property Held for Future Use	-	-
105	Construction Work in Progress	-	-
108	Accumulated Depreciation - Utility Plant	(179,183)	(181,812)
121	Non-Utility Property	-	-
122	Accumulated Depreciation - Non Utility	-	-
	TOTAL FIXED ASSETS	\$ 50,621	\$ 77,769
	TOTAL ASSETS	\$ 68,069	\$ 93,288

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 249	\$ 1,559
232	Notes Payable (Current Portion)	-	5,305
234	Notes/Accounts Payable to Associated Companies	-	-
235	Customer Deposits	1,115	1,415
236	Accrued Taxes	1,246	3,226
237	Accrued Interest	-	-
241	Miscellaneous Current and Accrued Liabilities	59,000	59,000
	TOTAL CURRENT LIABILITIES	\$ 61,610	\$ 70,505
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ 13,955
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	-	-
255	Accumulated Deferred Investment Tax Credits	-	-
271	Contributions in Aid of Construction	-	-
272	Less: Amortization of Contributions	-	-
281	Accumulated Deferred Income Tax	-	-
	TOTAL DEFERRED CREDITS	\$ -	\$ -
	TOTAL LIABILITIES	\$ 61,610	\$ 84,460
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 49,910	\$ 49,910
211	Paid in Capital in Excess of Par Value	9,979	9,979
215	Retained Earnings	(53,430)	(51,061)
218	Proprietary Capital (Sole Props and Partnerships)	-	-
	TOTAL CAPITAL	\$ 6,459	\$ 8,828
	TOTAL LIABILITIES AND CAPITAL	\$ 68,069	\$ 93,288

Note: There is a prior period adjustment due to the Arizona Corporation Commission Staff Report dated March 14, 2001, totaling \$9,174. An additional depreciation adjustment of \$1,425 was made to reflect depreciation incorrectly taken on previous reports. The total prior period adjustment is \$10,599.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 41,898	\$ 54,460
460	Unmetered Water Revenue	-	-
474	Other Water Revenues	675	340
	TOTAL REVENUES	\$ 42,573	\$ 54,800
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 19,875	\$ 24,652
610	Purchased Water	-	-
615	Purchased Power	3,576	3,427
618	Chemicals	-	-
620	Repairs and Maintenance	594	2,312
621	Office Supplies and Expense	1,379	872
630	Outside Services	3,162	2,260
635	Water Testing	590	1,390
641	Rents	1,100	1,300
650	Transportation Expenses	814	1,928
657	Insurance-General Liability	2,000	1,535
659	Insurance-Health and Life	-	-
666	Regulatory Commission Expense - Rate Case	2,134	-
675	Miscellaneous Expense	1,426	2,628
403	Depreciation Expense	11,062	11,115
408	Taxes Other Than Income	4,173	5,672
408.11	Property Taxes	2,245	3,593
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	\$ 54,175	\$ 62,729
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 149	\$ -
421	Non-Utility Income	1,400	-
426	Miscellaneous Non-Utility Expenses	-	-
427	Interest Expense	-	(301)
	TOTAL OTHER INCOME/EXP	\$ 1,549	\$ (301)
	NET INCOME/(LOSS)	\$ (10,053)	\$ (8,230)

COMPANY NAME Loma Linda Water Co.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	6/25/2001			
Source of Loan	Ford Credit			
ACC Decision No.				
Reason for Loan	New Vehicle			
Dollar Amount Issued	\$ 21,856.00			
Amount Outstanding	\$ 19,260.00			
Date of Maturity	6/25/2005			
Interest Rate	2.90%			
Current Year Interest	\$ 301.00			
Current Year Principle	\$ 2,596.00			

Meter Deposit Balance at Test Year End \$ 1,415.00.

Meter Deposits Refunded During the Test Year \$ 0.

COMPANY NAME Loma Linda Water Co.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
62-63-02	2	65	6	NONE
62-63-03	3	85	6	NONE

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.)= 0 .

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	3	4000	1
		2000	1
		1500	1

STATISTICAL INFORMATION

Total number of customers	130	
Total number of gallons sold	13,186,776	gallons

COMPANY NAME Loma Linda Water Company YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(4,674)</u>
Estimated or Actual Federal Tax Liability	<u>--</u>
State Taxable Income Reported	<u>(4,629)</u>
Estimated or Actual State Tax Liability	<u>45</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>--</u>
Amount of Gross-Up Tax Collected	<u>--</u>
Total Grossed-Up Contributions/Advances	<u>--</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME Loma Linda Water Company YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 3,593.25

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

RECEIVED
AUG 23 2002

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Graham</u>	Director of Corporations
NAME (OWNER OR OFFICIAL) TITLE <u>Kathleen Barney Secretary/Treasurer</u>	
COMPANY NAME <u>Loma Linda Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2001</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 54,460.45

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2983.97
IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

FOURTEEN

DAY OF

Kathleen Barney

SIGNATURE OF OWNER OR OFFICIAL
(928) 428-5420

TELEPHONE NUMBER

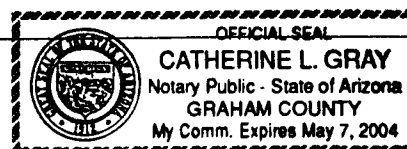
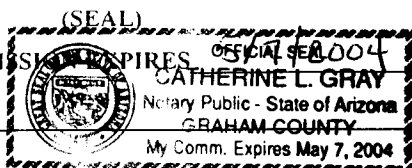
CATHERINE L GRAY

COUNTY NAME
Graham
MONTH August 2002

Catherine L Gray

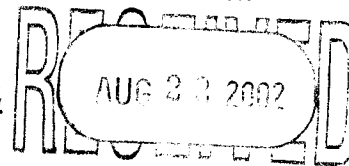
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

(COUNTY NAME) <u>Graham</u>	
NAME (OWNER OR OFFICIAL) <u>Kathleen Barney</u>	TITLE <u>Secretary/Treasurer</u>
COMPANY NAME <u>Loma Linda Water Company</u>	

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>54,560.45</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2983.97
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Kathleen Barney
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

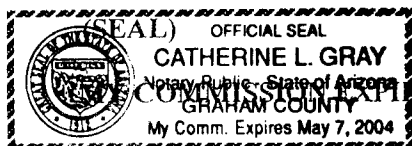
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

FOURTEENTH

DAY OF

NOTARY PUBLIC NAME <u>CATHERINE L GRAY</u>	
COUNTY NAME <u>Graham</u>	
MONTH <u>August</u>	<u>2002</u>



COMMISSION EXPIRES

5/7/2004

X Catherine L Gray
SIGNATURE OF NOTARY PUBLIC

LOMA LINDA ESTATES, INC.

P. O. BOX 967 428-5420
THATCHER, AZ 85552

3334

91-504/1221

2/26 20 01

Pay to the Order of Greenlee County Treasurer

\$ 3593.25

Three thousand five hundred ninetythree & 25/100 Dollars

THE STOCKMEN'S BANK

SAFFORD BRANCH
P.O. BOX M
SAFFORD, ARIZ. 85548

1st 1/2

For 914-80-300 6 / 97,98,2000

Signed Barney

⑈003334⑈ ⑆122105045⑆ 1501002073⑈

⑈0000359325⑈

Security features
are included.
Details on back.

MP

108720
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COMMUNITY FIRST BANK >091300036<
FAREO, N. DAKOTA
8820430166

74 086 1824

PAY TO THE ORDER OF
COMMUNITY FIRST NATIONAL BANK
MORENCI, AZ 85540
122105647
FOR DEPOSIT ONLY
PAT HERNANDEZ
GREENLEE COUNTY TREASURER
8220130166